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United Nations Conference on Trade and Development

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GE.79-54756

The meeting was called to order at 10.25 a.m.

PROCEDURAL MATTERS (agenda item 3) (continued)

(a) ELECTION OF OFFICERS (continued)

Mr. BELLAMYES (Philippines) said that he had been instructed by the Asian Group to inform the Board that the representative of Burma, who had been elected as a Vice-President representing the Asian Group, was unfortunately unable to attend the current session. On behalf of the Asian group, he proposed that Mr. Seow (Singapore) should be elected as replacement.

The PRESIDENT, having expressed the regret that the Vice-President from Burma had been unable to take up his functions, said he assumed that the Board agreed to the replacement by Mr. Seow (Singapore) as Vice-President of the Board for the Asian region.

It was so agreed.

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS (agenda item 11):

(b) ANNOUNCEMENT OF ANY CHANGES IN THE MEMBERSHIP OF THE BOARD AND ELECTION TO MEMBERSHIP OF MAIN COMMITTEES

The PRESIDENT invited the Board to proceed with the election of additional members who wished to participate in the work of the main committees of the Board, in accordance with the practice for elections to main Committees described in Conference resolution 30(III), part C, paragraph 3. The lists of members of the main Committees which had been confirmed by the Board at its eighteenth session were contained in document A/33/15, annex XI and the additional State members of the Conference elected to the main Committees at the present session would be added thereto.

The following additional countries had communicated to the Secretary-General of UNCTAD their wishes to participate as members in the next session of the main committee against which their names had been listed: Committee on Manufactures - Sudan; Committee on Invisibles and Financing related to Trade - Sudan; Committee on Shipping - Portugal; Committee on Transfer of Technology - Viet Nam; and Committee on Economic Co-operation among Developing Countries - Viet Nam.

Since no other State member of UNCTAD which was not a member of one or more main committee had communicated its intention of attending the next regular session of any committee, and no State member which was a member of one or more main committees had communicated its intention of withdrawing from any main committee, he suggested that the Board should confirm the membership of the main committees as indicated in document A/33/15, annex XI with the additional names of the member States that he had just read out.

With those additions, the total membership of the main committees would be: Committee on Commodities - 95, Committee on Manufactures - 90, Committee on Invisibles and Financing related to Trade - 95, Committee on Shipping - 91, Committee on Transfer of Technology - 87 and Committee on Economic Co-operation among Developing Countries - 96.

It was so decided.

(f) DOCUMENTATION PROBLEMS AND THEIR EFFECT ON THE WORK PROGRAMME OF UNCTAD (TD/B/L.520-TD/B/(XIX)/CRP.1)

The PRESIDENT said that the matter had been considered by the Board at its eighteenth session and its tenth special session and that it had also been considered at the fifth session of the Conference. He drew attention to a draft proposal submitted by the representative of the Philippines in document TD/B/L.520. The Board might also wish to bear in mind the relevant provisions of section II of General Assembly resolution 33/56 on control and limitation of documentation and paragraph 10 of Conference resolution 122(V) referring to the question of documentation.

He understood that consultations were proceeding on the matter and suggested that it might be more fruitful to take it up again at a later stage in the session.

It was so decided.

Mr. SOLIVATTE (Philippines) confirmed that consultations were in progress on the draft resolution which he had submitted to the Board at its eighteenth session.

(g) MATTER OF THE REQUIREMENT FOR SUMMARY RECORDS OF MEETINGS OF THE BOARD

The PRESIDENT reminded the Board that the General Assembly, in paragraph 4 of resolution 33/56, had urged the Secretariat to play a more active role in advising bodies on issues of limiting records and documentation, with particular reference to General Assembly resolutions 2292(XXII) and 2538(XXIV). The UNCTAD secretariat had successfully solved the issue of whether the Trade and Development Board would want to reconsider its previous decision to retain summary records of its proceedings in plenary. He had taken the liberty of bringing the matter also to the attention of the Bureau of the Board at its meeting that morning.

Mr. SOLIVATTE (Philippines) speaking on behalf of his own delegation, said that the matter had not been discussed again in the Main Group. He felt, however, that, while summary records had been dispensed with in the case of the main committees, it would be useful if they could be retained in the case of the Board, which intermediated the Conference with the latter was not in session. Many members did not attend committee meetings and it was only through the Board that they were able to keep in touch with what had been happening. He felt, therefore, that it would be in the interests of members, particularly those from developing areas such as his own country, to retain summary records for the Board.

The PRESIDENT suggested that the matter should be left open until a subsequent meeting.

It was so decided.

OTHER BUSINESS (agenda item 12)

SPECIAL PROGRAMME ON TRADE FACILITATION (TD/B/751)

The PRESIDENT drew attention to the report in document TD/B/751 on the Special Programme on Trade Facilitation (PALPRO) containing background information, including an account of the technical co-operation activities in the field of trade facilitation which were managed and supported by PALPRO.

Mr. ROSE (Chief, Special Programme on Trade Facilitation), introducing the report, said that it was the first time that the work of the Special Programme on Trade Facilitation (PALPRO) had been brought before any of the governing UNCTAD organs, although PALPRO had been established [illegible] years. The activity had developed gradually over the years from a single UNDP-financed adviser post to the present programme which included several services and its own secretariat. The document [illegible] at the 1977 session of the Working Party on Manufactures Plus provided the basis of information on the activities of PALPRO in Trade UNCTAD documents and a suggestion that an account of those activities should be provided to the Board [illegible] through the UNCTAD machinery.

Sections I and II of the document set out the background and history of trade facilitation work, its terms used in describing its objectives and systematic rationalization of trade procedures and documentation. It was estimated that the cost of procedures and documentation would amount to [illegible] per cent of the value of world trade, that a reduction of [illegible] per cent would represent very substantial savings.

Sections III and IV described PALPRO's terms of reference, its relevance to the medium-term plan and its functions within UNCTAD. It was a central function in UNCTAD and one of its three major activities.

The second major activity, which was dealt with in sections V and VI, concerned co-operation at the secretariat level with the Economic Commission for Europe and the other regional commissions. It was a functional consultation in the field of trade facilitation and constituted the regional commissions' mid-term programme providing a focal point through the Working Party on Facilitation of International Trade Procedures. The present arrangements made it possible to use the combined Secretariat expertise and support services rather than build up technical functions at each level.

Section VII contained a list of all the inter-governmental organizations with which PALPRO co-operated. Section VIII gave a detailed account of PALPRO's third major function: technical co-operation with the developing countries. In accordance with UNCTAD's role as an executing agency, PALPRO was providing [illegible] and advisory services for a number of activities financed from UNDP and other sources.

Section IX, conclusions and suggestions, summed up the background, with particular reference to the legal mandate of UNCTAD. It also drew attention to the desirability of explicitly confirming FALPRO's facilitative authority since that would be helpful when seeking support for technical co-operation. It also drew attention also underlined the desirability of providing opportunities for all member States to participate in the facilitation work. In view of ECE's central function in that work and to prevent duplication, it was felt that the most suitable provision to arrange that was UNCTAD/FALPRO for non-ECE countries to participate in the ICP activity.

He drew attention to the desirability to coordinate FALPRO's mandate with a view to intensifying its work within the limits of available resources and of providing opportunities for active participation by all its member countries.

Mr. PAUSIL (Union of Soviet Socialist Republics) said that the creation and use of terminal lists or by the secretariat of Group I, which might be useful part in many ECE activities. The UNCTAD secretariat had provided a very comprehensive document, but there were still certain problems to solve, particularly the right balance between the Group I countries and the secretariat. In his delegation's view the item should be left open pending further consultations.

Mr. JARAMILLO (Colombia) said that FALPRO should be co-operating with the national authorities of the country from a number of points of view: national committee for trade facilitation matters and to deal with both national and private bodies, to simplify customs documents, to train its staff and experts. The work was extremely useful to the developing countries and it believed that they would continue to benefit from it through technical assistance.

Mr. DUPUCH (Denmark) said that his country made full use of FALPRO, whose activities in the field of facilitation were very important for developing countries. He supported the continuation of the mandate.

Mr. SAHA (Singapore) said that the work of FALPRO was of great value to developing countries. The size of the representation of the secretariat would give an indication of the size of the staff and the amount of the annual budget.

Mr. ADAMS (U.S.A. Special Programme on Trade Facilitation) replied that the staff currently consisted of two professional officers and a secretary, who were paid from the regular budget, and an average of five advisers in the field, financed by UNDP and the Norwegian Government through the International Trade Centre. The budget depended on the number of posts.

The PRESIDENT suggested that the item should be left open until a later date.

It was so decided.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 9):

(a) EXPORT PROMOTION: REPORT OF THE JOINT ADVISORY GROUP ON THE INTERNATIONAL TRADE CENTRE UNCTAD/GATT ON ITS TWELFTH SESSION (TD/B/759-ITC/AG(XII)/54 and Corr.1 and 2)

The PRESIDENT invited Mr. Karim (Bangladesh), Vice-Chairman of the twelfth session of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT, to introduce the report, in the absence of Mr. Fransen (Brazil), the Chairman of the Group.

Mr. KARIM (Bangladesh) introduced the report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twelfth session (TD/B/759-ITC/AG (XII)/54) and he drew attention to the main subjects of discussion as set forth in the report's Contents.

In reviewing the technical co-operation programme in 1976, the Group had called for continued efforts to secure greater participation by experts from developing countries in the Centre's technical co-operation programme. It had also recommended greater reliance on short-term consultants in ITC field projects, sufficient number of long-term experts being maintained to ensure continuity in servicing backlog of national counterpart staff. Particular attention should be devoted to the multilateral trade promotion of basic commodities and processed products, with active support for the Centre's initiatives in fostering trade and industrial co-operation among developing countries. The Group had also recommended increased ITC activities in promoting trade development between developing countries and the socialist countries of Eastern Europe, including greater use of trade promotion experts from the latter countries.

With regard to technical co-operation with the least-developed countries, the Group had called for greater co-operation by ITC with other international organizations, particularly FAO, UNIDO, UNCTAD and ILO, in accordance with resolution 141 (LV) of the Economic and Social Council, particularly in view of the need to develop production capacity in the least-developed countries as part of the general effort to foster their trade promotion and export development programmes. It had also recommended that ITC should try to develop an integrated approach, in co-operation with United Nations organizations and intergovernmental bodies, to maximize the impact of its assistance; and should increase its efforts to foster technical co-operation among developing countries in the context of trade expansion.

The Group had strongly endorsed the Centre's proposals for its first medium-term programme, 1978-1981, costing a total of $41.1 million and consisting of six programmes: assistance in strengthening national trade promotion institutions; export market development; specialized trade promotion services; multinational trade promotion; manpower development; and import restructuring. Those programmes were expected to use 75 per cent of anticipated resources during the three-year period, while the remaining 25 per cent was to be used for four new programmes designed to meet pressing trade promotion needs in the developing countries: special programme of technical co-operation with the least-developed countries; trade promotion related to rural development; follow-up activities on the multilateral trade negotiations (MTN); and technical co-operation with national trade-offices.

The Group had attached particular importance to the programme for the least developed countries and the programme on trade promotion oriented to rural development and had emphasized the obvious relationship between the two. It had also appreciated the relevance of the programme for follow-up activities on the UNCTAD and shown keen interest in the close co-operation being established between ITC, UNCTAD and GATT in planning and implementing the programme. It had expressed the view that the programme of technical co-operation with national chambers of commerce was capable of providing an effective mechanism to enable the Centre to bring its work direct to the business community and had therefore endorsed the programme together with the measures proposed by the Secretariat to translate it into detailed project proposals.

In connexion with ITC relations with United Nations organizations and other bodies, the Group had called for closer co-operation between the Centre and UNIDO in order to increase assistance to the least developed countries in establishing industries with a high ratio of value-added to transport costs. Representatives of UNDP, ESCAP, the World Bank, UNIDO, the Commission of the European Economic Community, the Commonwealth Secretariat and the International Chamber of Commerce had reviewed for the Group various aspects of the relationships between their respective organizations and ITC.

A number of delegations had made statements on extra-budgetary contributions that their Governments intended to make to ITC in 1979, subject to legislative approval. Delegations from a number of developing countries had expressed their sincere appreciation of the trust fund contributions that had made it possible to finance the Centre's programmes in their own countries and had welcomed the announcements made on further financial commitments to the Centre for 1979.

The Group had recognized the efforts made by the Secretariat of the United Nations to improve the administrative arrangements of the Centre with a view to further enhancing its work performance.

Mr. HOLEID (Norway), speaking on behalf of the Nordic countries, said that although the developing countries' exports to the OECD area had recently been growing at a steady rate, the lack of human and financial resources in the field of trade promotion remained a serious problem for those countries. Trade promotion assistance for developing countries should be regarded as a vital complement to other trade policy measures, within the context of free trade and an expanding world economy, and its importance tended to grow as trade barriers were gradually lowered. At the same time, developed countries should make efforts to pursue non-protectionist trade policies.

The twelfth session of the Joint Advisory Group had been held at a time when several relevant major international negotiations were taking place and it would therefore be an important event in the history of ITC. As a result of the recent organizational study, ITC was well equipped to assist the developing countries in the field of international trade promotion. Nevertheless, there were still financial problems to be solved. The Centre had become increasingly dependent upon voluntary contributions and its share of UNDP financing had decreased. In recent years, contributions from the Nordic countries had financed approximately two-thirds of total ITC operational activities. Unless the effort was shared more equitably through increased contributions from a larger number of donor countries, it would not be possible to meet many of the requests for ITC assistance.

In addition, long-term commitments by donor countries would facilitate ITC's efforts to assist trade promotion in the developing countries.

With reference to the decision to include marketing in the measures to be financed by the Second Window of the Common Fund, he said that ITC should co-operate closely with the Common Fund in the market promotion of commodities.

Mrs. GARCIA GARCIA (Cuba) said that, while many Latin American countries had benefited from ITC assistance in the field of export promotion, which was of vital importance for their economies, such assistance appeared to be decreasing. Improved financing for ITC would enable that trend to be reversed and she hoped that the question of geographical distribution would be taken into account when ITC's co-operation programmes were being drawn up.

Mrs. VOHRA (India) endorsed the report of the Joint Advisory Group and said that the extension of the programmes to new areas of trade promotion represented a considerable advance. She expressed her appreciation of the excellent assistance received from ITC and thanked the donor countries for having made it possible. Her country had made voluntary contributions to the ITC trust fund over the last two years. She hoped that it would be possible to establish horizontal links among the various country programmes in order to promote economic co-operation among developing countries.

Mr. EL-GOHARI (Egypt) endorsed the report and expressed his appreciation of the services the Centre had rendered his country in export promotion.

The PRESIDENT suggested that the Board should take a note of the Report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twelfth session and of the comments made thereon.

It was so decided.

(b) PROGRESSIVE DEVELOPMENT OF THE LAW OF INTERNATIONAL TRADE: TWELFTH ANNUAL REPORT OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW

The PRESIDENT suggested that discussion of the report should be deferred until a subsequent meeting of the Board.

It was so decided.

The meeting rose at 1.10 p.m.